

**AMENDED AND RESTATED BY-LAWS  
OF  
RANNIE WEBSTER FOUNDATION**

**ARTICLE I  
NAME AND OFFICES**

Section 1. Name. The name of the Corporation shall be RANNIE WEBSTER FOUNDATION.

Section 2. Principal Office. The principal office of the Corporation shall be located at 795 Washington Road, Town of Rye, County of Rockingham, and State of New Hampshire, or at any other location within the State of New Hampshire, as the Board of Trustees may determine.

Section 3. Other Offices. The Corporation may also have offices at such other places, within or outside its state of incorporation, where it is qualified to do business, as its business and activities may require, and as the Board of Trustees may, from time to time, designate.

**ARTICLE II  
PURPOSES**

The objects and purposes for which this Corporation is established shall be to provide nursing and supported residential care for aged men, women and couples to promote the general charitable purposes of Rannie Webster, as directed by her Will; and without limiting the generality of the foregoing, to acquire, lease, purchase, receive or take by gift, grant, devise, bequest or otherwise and to hold, invest, reinvest, dispose and otherwise deal with property of every kind and description, whether real, personal or mixed, wherever situated, for the uses of the Corporation, and for the carrying out of the terms of donations and bequests; in general, to do any other act in connection with the foregoing and incident thereto; and to have and exercise all of the powers conferred upon voluntary corporations formed under Chapter 292 of the Revised Statutes Annotated of New Hampshire and the Amendments thereto.

**ARTICLE III  
MEMBER**

The Corporation shall consist of a sole Member, Rannie Webster Holding Corporation, a New Hampshire 501(c) (3) not-for-profit corporation.

## **ARTICLE IV BOARD OF TRUSTEES**

Section 1. General Powers. The business and affairs of the Corporation shall be managed by its Board of Trustees, which shall have general charge, control, and management of the property, affairs and funds of the Corporation, and shall have the power and authority to do and perform all acts and functions not inconsistent with these By-Laws or with any action taken by the Corporation. Notwithstanding the above, the Board shall not, without prior approval of the Member

- (a) adopt, amend, or waive any material provision of any strategic plan of the Corporation or any annual operating plan or budget;
- (b) incur any indebtedness for borrowed money or enter into any capital lease obligation that, in either case, has not been specifically set forth in a written operating budget approved previously by the Member, where the annual amount of any such lease/s or obligation/s, exceeds ten percent (10%) of the total expenditures provided in such budget;
- (c) approve, adopt or enter into a contract or other expenditure of any kind where the annual expense to the Corporation exceeds ten percent (10%) of the total expenditures provided in said budget; or
- (d) enter into, or agree to enter into or otherwise approve any transaction including a merger, consolidation, affiliation, dissolution or sale of the assets of the Corporation outside of the ordinary course of business of the Corporation;
- (e) acquire or agree to acquire by merging, consolidating with or by purchasing substantially all of the assets of any other entity or division thereof outside of the ordinary course of business of the Corporation.

Section 2 Number, Tenure and Qualifications. The Board of Trustees shall consist of no fewer than five (5) nor more than fifteen (15) persons. All Trustees shall be elected by the Board of Trustees, which election shall be ratified by the Member to become effective. New Trustees elected to the Board to fill a vacancy at any meeting during the year will serve until the next annual meeting of the Rannie Webster Foundation at which time they will start their tenure. The Trustees shall serve until they resign or are removed per Article III Section 13 or Article IV Section 2. Any Trustee may withdraw from the Board by written notice given or mailed to the Secretary who shall make a record of such withdrawal.

Section 3. Manner of Acting. The act of a majority of the Trustees present and voting at a meeting at which a quorum is present shall constitute the act of the Board of Trustees.

Section 4. Power to Elect Officers. The Board of Trustees of Rannie Webster Foundation shall elect Officers of the Corporation at the annual meeting of the Board which election shall be

ratified by the Member to become effective. Vacancies in any office shall be filled by the Member after notice to all Trustees.

Section 5. Annual Meeting. The annual meeting of the Board of Trustees shall be held during the month of December, or upon such other hour, date or place as the Chair may designate after written notice to all Trustees.

Section 6. Monthly Meeting. Monthly meetings of the Board of Trustees shall be held pursuant to an annual schedule to be issued by the Chair to the Trustees within two weeks after the Annual Meeting. The Chair may cancel or reschedule any meeting for cause.

Section 7. Special Meetings. Special meetings of the Board of Trustees may be called by or at the request of the Chair or of any two Trustees, who shall fix the time and place of such special meeting.

Section 8. Quorum. A majority of members of the Board of Trustees shall constitute a quorum for the transaction of business, but if less than a majority of Trustees are present at a meeting, a majority of the Trustees present may adjourn the meeting.

Section 9. Notice. Written Notice shall be given by the Chair to each Trustee at least two (2) days prior to the date of any special meeting at which it is intended that the Trustees act upon matters of importance to the Corporation. Said notice shall provide a summary of items of business to be acted upon at such meeting.

Section 10. Action Without a Meeting. Any action required or permitted to be taken by the Board of Trustees at a meeting may be taken without a meeting if such action and vote is acknowledged electronically or in writing, setting forth the action/s to be taken, and shall be approved by all of the Trustees.

Section 11. Presumption of Assent. A Trustee who is present at a meeting of the Board of Trustees at which action on any matter is taken shall be presumed to have assented to the action taken unless their dissent shall be entered in the minutes of the meeting.

Section 12. Electronic Communications: Electronic notification, participation, and Trustee action shall be considered to be written notification or action.

Section 13. Removal. Any Trustee may be removed with or without cause as determined by the Member.

Section 14. Committees. At the annual meeting of the Trustees, Executive, Investment, Budget, and other such committees as the Board of Trustees may from time to time authorize, shall be appointed by the Chair and confirmed by the Board of Trustees. At any committee meeting, a quorum shall be a majority of the members of the committee. The act of a majority of the committee members present and voting at a meeting at which a quorum is present shall constitute the act of the committee.

(a) Executive. The Executive Committee shall consist of the Chair Vice-Chair, Secretary, and Treasurer. The Executive Committee shall have charge of the detailed management of the Corporation on behalf of the Board of Trustees and power to transact all regular business of the Corporation on behalf of the Board of Trustees during the intervals between meetings of the Board of Trustees, subject to any limitations imposed by said Board of Trustees.

(b) Investment. The Investment Committee shall consist of the Chair, the Treasurer and no fewer than two (2) nor more than five (5) other Trustees. The duties of the Investment Committee shall include, without limitation, an obligation to counsel and assist the Treasurer; to examine the investments of the Corporation and assess the management of its fund.

(c) Budget. The Budget Committee shall consist of the Chair, the Treasurer and no fewer than two (2) nor more than five (5) other Trustees. The duties of the Budget Committee shall include, without limitation, to aid the Administrator in the preparation of an annual budget for presentation to the Board of Trustees, to determine the financial feasibility of corporate projects, acts and undertakings referred to it by the Board of Trustees, including the establishment and modification of entrance fees and monthly rates for residents; and to make recommendations thereon to the Board of Trustees.

## **ARTICLE V OFFICERS**

Section 1. Number, Tenure and Qualifications. The Officers shall be Chair, Vice-Chair, Secretary and Treasurer. The Officers plus one (1) other Trustee of the Rannie Webster Foundation Board of Trustees shall serve on the Board of Directors of the Member, all of whom shall hold office until their successors are elected. Any Officer may resign his office by written notice given or mailed to the Member; said resignation to be effective after acceptance by the Member and the election of a successor. Only Trustees may serve as Officers.

Section 2. Removal. Any Officer may be removed with or without cause by the Member after notice to all Trustees.

Section 3. Chair. The Chair shall preside at all meetings of the Board of Trustees. The Chair shall have general supervision over the affairs of the Corporation; report to the Board of Trustees and/or to the Member from time to time on all matters relating to the interests of the Corporation that should be brought to the attention of the Board and/or Member; present at the annual meeting of the Member, on behalf of the Board of Trustees, and report on the affairs of the Corporation for the year preceding. The Chair shall generally do and perform such other duties usually pertaining to the office or as may be assigned by the Board of Trustees.

Section 4. Vice-Chair. In the absence of the Chair at any meeting of the Board, or incapacity of the Chair, the Vice-Chair shall assume those responsibilities and powers of that office.

Section 5. Secretary. The Secretary shall act as Secretary of the Corporation and the Board of Trustees, shall send appropriate notices and prepare agendas for meetings of the Board of Trustees, shall be responsible for ensuring records of all meetings of the Board of Trustees are

kept, and in general, shall perform such duties usually pertaining to the office of Secretary or as may be assigned by the Chair or by the Board of Trustees from time to time.

**Section 6. Treasurer.** The Treasurer shall keep or cause to be kept correct and accurate accounts of the properties and financial transactions of the Corporation. The Treasurer is also authorized to generally do and perform all the duties usually pertaining to the office of Treasurer and such other duties as may be assigned from time to time by the Board of Trustees and shall make a report to the Board of Trustees and to the Member at their respective regular or special meetings. If required by the Board, the Treasurer shall give bond annually for the faithful performance of **their** duties. The cost of said bond shall be paid by the Corporation.

## **ARTICLE VI INDEMNIFICATION**

The Corporation shall, to the fullest extent legally permissible and only to the extent that the status of the Corporation as an organization exempt under Section 501(c)(3) of the Internal Revenue Code or any successor provision is not affected thereby, indemnify each person who is or was an Officer or Trustee (including persons who serve or served at its request as Trustee or Officer of another organization in which it has an interest) against all liabilities and expenses, including amounts paid in satisfaction of judgments, as fines and penalties, and counsel fees, reasonably incurred by them in connection with the defense or disposition of any action, suit or other proceedings, whether civil or criminal, in which they may be involved or with which they may be threatened, while in office or thereafter, by reason of their being or having been such a Trustee or Officer except with respect to any matter as to which they shall have been adjudicated in any proceedings to not have acted in good faith or to have acted willfully, but not only with reckless disregard. Nothing contained herein shall affect any rights to indemnification to which corporate personnel may be entitled by contract or otherwise under law.

## **ARTICLE VII ADMINISTRATION**

The Board of Trustees shall select and appoint an Executive who shall be a licensed Nursing Home Administrator in the State of New Hampshire who is experienced in the management of a skilled nursing facility and supported residential care facility. The Executive shall have primary responsibility for the performance of all administrative and supervisory duties required to insure the efficient operation of the Corporation. The authority and duties of the Executive shall include, without limitation, responsibility for:

- (a) carrying out all policies established by the Board of Trustees,
- (b) selection, employment, control and discharge of employees and the development of personnel policies and practices,
- (c) preparation of an annual budget, with the aid of the Budget Committee, for presentation to the Board of Trustees,

- (d) maintenance of the physical plant in a good state of ordinary repair and operation,
- (e) supervision of business affairs to ensure that funds are collected and expended to the best possible advantage, and
- (f) presentation of periodic reports to the Board of Trustees reflecting the administration of the Corporation.

**ARTICLE VIII  
FISCAL YEAR**

The Fiscal Year of the Corporation shall begin of the first day of September and end of the last day of August in each year.

**ARTICLE IX  
ANNUAL AUDIT**

The Member shall select an auditor to examine the financial records of the Corporation and present **the** report at each annual meeting of the Member and of the Board of the Rannie Webster Foundation and/or at such other times as the Board or the Member may require.

**ARTICLE X  
NON-DISCRIMINATION**

The Corporation shall not discriminate against any person in any manner on the basis of sex, **sexual orientation**, race, age, religion, handicap or ethnic origin.

**ARTICLE XI  
DISSOLUTION**

The Member shall have the power to dissolve the Corporation following a majority vote of all the Trustees of the Rannie Webster Foundation.

Upon dissolution of the Corporation and after payment or provision for payment of all liabilities of this Corporation, all of its assets shall be distributed by the Trustees of the Rannie Webster Foundation to or for the benefit of other non-profit, tax-exempt organizations, whose charitable, scientific, or educational purposes are the same as set forth in the Articles of Agreement, as amended. Any of such assets not so disposed of shall be disposed of by the Superior Court of the County in which the principal office of the Corporation is then located exclusively for such purpose or to such organization or organizations as said court shall determine which are organized and operated for such purposes.

**ARTICLE XII  
AMENDMENTS**

Alteration or change to these By-Laws shall be by a majority vote of the Member. Proposed changes shall be presented to all Board members no less than twenty-eight (28) days in advance of the scheduled vote.

**ARTICLE XIII  
RESCINDER**

All By-laws, amendments thereto, votes and resolutions conflicting with these By-Laws are hereby rescinded.

**ARTICLE XIV  
HUD BORROWING**

Notwithstanding any clause or provision in the By-Laws or Articles of Association to the contrary and so long as the United States Department of Housing and Urban Development (“HUD”) or a successor or assign of HUD is the insurer or holder of a loan to Rannie Webster Foundation (the “HUD Loan”), the following provisions shall prevail:

1. DEFINITIONS. The following terms as used herein shall have the following meanings:

“HUD Loan Documents” shall mean (i) the Regulatory Agreement (as defined below), (ii) the note executed by Rannie Webster Foundation in connection with the HUD Loan, (iii) the security instrument and any other security agreements executed by the Corporation in connection with the HUD Loan, (iv) the Healthcare Regulatory Agreement - Operator, (v) the Operator Security Agreement executed by the Corporation in connection with the HUD Loan and (vi) the Assignment of Rents and Leases executed by the Corporation in connection with the HUD Loan.

“Regulatory Agreement” shall mean that certain Healthcare Regulatory Agreement – Borrower by and between HUD and Rannie Webster Foundation, and, if applicable, that certain Healthcare Regulatory Agreement – Operator by and between HUD and Rannie Webster Foundation, in connection with the HUD Loan.

“Project” shall mean that certain skilled nursing and assisted living facility located in Rye, New Hampshire, and commonly known as Webster at Rye.

2. CONFLICTS WITH THE HUD LOAN DOCUMENTS. If any of the provisions of Rannie Webster Foundation’s Articles of Association, the By-Laws or any other organizational document conflicts with the provisions of any of the HUD Loan Documents, the provisions of the HUD Loan Documents shall control.

3. **RESTRICTIONS ON AMENDMENTS.** No provision required by HUD to be inserted in the By-Laws or any other organizational document of Rannie Webster Foundation may be amended without the prior written approval of HUD. No provision of the Articles of Association or any other organizational document of Rannie Webster Foundation that results in any of the following will have any force or effect without the prior written approval of HUD:
  - a. Any amendment that shortens the term of Rannie Webster Foundation's existence;
  - b. Any amendment that triggers application of HUD's previous participation certification requirements (as set forth in Form HUD-2530, Previous Participation Certification, and/or 24 C.F.R. § 200.210, et seq.);
  - c. Any amendment that in any way affects the HUD Loan Documents;
  - d. Any amendment that would authorize any member, partner, owner, officer, manager, director, and/or any other person, other than one previously approved by HUD, to bind Rannie Webster Foundation for all matters concerning the Project that require the consent or approval of HUD;
  - e. Any change that is subject to HUD's Transfer of Physical Assets requirements described in Program Obligations, as that term is defined in the HUD Loan Documents; or
  - f. Any change in any guarantor of any obligation to HUD (including those obligations arising from violations of the Regulatory Agreement).
4. **HUD LOAN AUTHORIZATION.** Rannie Webster Foundation is authorized to execute (i) the HUD Loan Documents in order to secure the HUD Loan and (ii) such other documents as may be required by HUD in connection with the HUD Loan.
5. **INCOMING MEMBERS, PARTNERS AND OWNERS.** Any incoming member, partner and/or owner of Rannie Webster Foundation must as a condition of receiving an interest in Rannie Webster Foundation agree to be bound by the HUD Loan Documents and all other documents required in connection with the HUD Loan to the same extent and on the same terms as the other respective members, partners and/or owners.
6. **DISSOLUTION AND CONVERSION.** Rannie Webster Foundation shall not be voluntarily dissolved or converted into another form of entity without the prior written approval of HUD. Upon any dissolution of Rannie Webster Foundation, no right or title to possession and control of the Project, and no right to collect the rents from the Project, shall pass to any individual or entity that is not bound by the Regulatory Agreement in a manner satisfactory to HUD.
7. **LIABILITY OF KEY PRINCIPALS.** The key principals of Rannie Webster Foundation identified in Section 38 of the Regulatory Agreement are liable in their individual capacities to HUD as set forth in the Regulatory Agreement.

8. **OFFICIAL REPRESENTATIVE.** Rannie Webster Foundation has authorized Thomas W. Argue as its official representative for all matters concerning the Project that require the consent or approval of HUD. The signature of this representative shall bind Rannie Webster Foundation in all such matters. Rannie Webster Foundation may from time to time authorize a new official representative to perform this function, but within three (3) business days of doing so, will provide HUD with written notification of the name, address and telephone number of such new official representative. When an individual other than the individual identified above as the official representative has full or partial authority to manage the Project, Rannie Webster Foundation shall promptly provide HUD with the name of that individual and the nature of that individual's management authority.
9. **BUSINESS OF RANNIE WEBSTER FOUNDATION.** The business and purpose of Rannie Webster Foundation shall consist solely of (a) acquiring, owning, operating and maintaining the Project, (b) executing, delivering and performing its obligations under the HUD Loan Documents, and (c) any lawful activities permitted under the law of the state in which Rannie Webster Foundation is organized that are incidental to the foregoing or necessary or convenient to accomplish the foregoing. Rannie Webster Foundation shall not engage in any other business or activity. The Project shall be the sole asset of Rannie Webster Foundation, and Rannie Webster Foundation shall not own any other real estate other than that associated with the Project.
10. **INDEMNIFICATION.** Any obligation of Rannie Webster Foundation to provide indemnification herein or in any other organizational documents of Rannie Webster Foundation shall be limited to (i) coverage afforded under any liability insurance carried by Rannie Webster Foundation and (ii) available "surplus cash" of Rannie Webster Foundation as defined in the Regulatory Agreement. Until funds from a permitted source for payment of indemnification are available for payment, the Mortgagor entity shall not (a) pay funds to any members, partners, owners, officers and directors, or (b) pay the deductible on an indemnification policy for any members, partners, owners and directors.
11. **PROGRAM OBLIGATIONS.** Rannie Webster Foundation shall comply with all applicable Program Obligations, as that term is defined in the HUD Loan Documents, including those related to distributions.